GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1715
ANSWERED ON:10.03.2017
Loan to Farmers
Shetti Shri Raju alias Devappa Anna

Will the Minister of FINANCE be pleased to state:

(a) whether there is any binding on nationalized banks for providing loan to farm sector and if so, the details thereof;
(b) the details of the percentage of the total loan disbursed to farm sector along with the amount of loan given to farmers as crop loan during the last three years; and
(c) the details and the percentage of industrial farm loan and crop loan turned as Non Performing Assets during the said period?

Answer

The Minister of State in the Ministry of Finance

(a) & (b): Reserve Bank of India (RBI) has reported that as per extant guidelines on Priority Sector Lending, a target of 18 per cent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent of Off-Balance Sheet Exposure (CEOBE), whichever is higher, has been prescribed to Domestic Scheduled Commercial Banks (excluding Regional Rural Banks) for lending to Agriculture, of which Farm Sector is a part. Further, Government fixes agriculture credit disbursement targets for the banking sector every year and banks have consistently surpassed these targets. The details of agriculture credit targets fixed by the Government and the achievement by the Banks, for the last three years (2013-14 to 2015-16) are given as under:

(Rs. In Crores)

S. No.	Year	Target for Agriculture loan	Total Agriculture Loan disbursed	Crop Loan disbursed	% of Crop Loan (Out of Total Agriculture Loan)(5/4)
1	2	3	4	5	6
1	2013-14	7,00,000	7,30,122.62	5,48,435.18	75.12
2	2014-15	8,00,000	8,45,328.23	6,35,411.97	75.17
3	2015-16	8,50,000	8,77,527.04	6,40,267.93	72.96

Source: NABARD

(c): RBI and NABARD have reported that the requisite details and the percentage of industrial farm loan and crop loan turned as Non Performing Assets are not centrally maintained.